

This has been the treatment, threats and slandering the Sikhs by the Indian immigration personnel at the Delhi international airport and by the Russian airport authorities of the Moscow airport. India, as everybody knows it, is the best partner (political) bed fellow of Russia in the world affairs.

The writer, Dr. Awatar Singh Sekhon (Machaki), Managing Editor and Acting Editor in Chief of the International Journal of Sikh Affairs ISSN 1481-5435, requests the Amnesty International, UN High Commission for Human Rights and other agencies to consider Dr. Dilgeer and his family's case based on the serious violations of their human rights, violations of the rights as international passengers and defaming Dr. Dilgeer as International terrorist by the Russian immigration authorities, based on the information provided to them by the world's "terrorist" administration. India is known to the peace-loving countries of the world as "the largest democracy, India." Democracies do not harass and kill innocent citizens and torture them indiscriminately.

BLAME CONGRESS FOR HMO'S

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 27, 2001

Mr. PAUL. Mr. Speaker, I highly recommend the attached article, "Blame Congress for HMOs" by Twila Brase, a registered nurse and President of the Citizens' Council on Health Care, to my colleagues. Ms. Brase demolishes the myth that Health Maintenance Organizations (HMOs), whose power to deny Americans the health care of their choice has been the subject of much concern, are the result of an unregulated free-market. Instead, Ms. Brase reveals how HMOs were fostered on the American people by the federal government for the express purpose of rationing care.

The story behind the creation of the HMOs is a classic illustration of how the unintended consequences of government policies provide a justification for further expansions of government power. During the early seventies, Congress embraced HMOs in order to address concerns about rapidly escalating health care costs. However, it was Congress which had caused health care costs to spiral by removing control over the health care dollar from consumers and thus eliminating any incentive for consumers to pay attention to costs when selecting health care. Because the consumer had the incentive to control health care cost stripped away, and because politicians were unwilling to either give up power by giving individuals control over their health care or take responsibility for rationing care, a third way to control costs had to be created. Thus, the Nixon Administration, working with advocates of nationalized medicine, crafted legislation providing federal subsidies to HMOs, preempting state laws forbidding physicians to sign contracts to deny care to their patients, and mandating that health plans offer an HMO option in addition to traditional fee-for-service coverage. Federal subsidies, preemption of state law, and mandates on private business hardly sounds like the workings of the free market. Instead, HMOs are the result of the same Nixon-era corporatist, Big Government mindset that produced wage-and-price controls.

Mr. Speaker, in reading this article, I am sure many of my colleagues will think it ironic that many of the supporters of Nixon's plan to foist HMOs on the American public are today promoting the so-called "patients' rights" legislation which attempts to deal with the problem of the HMOs by imposing new federal mandates on the private sector. However, this is not really surprising because both the legislation creating HMOs and the Patients' Bill of Rights reflect the belief that individuals are incapable of providing for their own health care needs in the free market, and therefore government must control health care. The only real difference between our system of medicine and the Canadian "single payer" system is that in America, Congress contracted out the job of rationing health care resources to the HMOs.

As Ms. Brase, points out, so-called "patients' rights" legislation will only further empower federal bureaucrats to make health care decisions for individuals and entrench the current government-HMO complex. Furthermore, because the Patient's Bill of Rights will increase health care costs, thus increasing the number of Americans without health insurance, it will result in pleas for yet another government intervention in the health care market!

The only true solution to the health care problems is to truly allow the private sector to work by restoring control of the health care dollar to the individual through Medical Savings Accounts (MSAs) and large tax credits. In the Medicare program, seniors should not be herded into HMOs but instead should receive increased ability to use Medicare MSAs, which give them control over their health care dollars. Of course, the limits on private contracting in the Medicare program should be lifted immediately.

In conclusion, Mr. Speaker, I hope all my colleagues will read this article and take its lesson to heart. Government-managed care, whether of the socialist or corporatist variety, is doomed to failure. Congress must instead restore a true free-market in health care if we are serious about creating conditions under which individuals can receive quality care free of unnecessary interference from third-parties and central planners.

[From the Ideas On Liberty, Feb. 2001]

BLAME CONGRESS FOR HMOs

(By Twila Brase)

Only 27 years ago, congressional Republicans and Democrats agreed that American patients should gently but firmly be forced into managed care. That patients do not know this fact is evidenced by public outrage directed at health maintenance organizations (HMOs) instead of Congress.

Although members of Congress have managed to keep the public in the dark by joining in the clamor against HMOs, legislative history puts the responsibility and blame squarely in their collective lap.

The proliferation of managed-care organizations (MCOs) in general, and HMOs in particular, resulted from the 1965 enactment of Medicare for the elderly and Medicaid for the poor. Literally overnight, on July 1, 1966, millions of Americans lost all financial responsibility for their health-care decisions.

Offering "free care" led to predictable results. Because Congress placed no restrictions on benefits and removed all sense of cost-consciousness, health-care use and medical costs skyrocketed. Congressional testimony reveals that between 1969 and 1971, physician fees increased 7 percent and hos-

pital charges jumped 13 percent, while the Consumer Price Index rose only 5.3 percent. The nation's health-care bill, which was only \$39 billion in 1965, increased to \$75 billion in 1971. Patients had found the fount of unlimited care, and doctors and hospitals had discovered a pot of gold.

This stamped the doctor's office, through the U.S. Treasury, sent Congress into a panic. It had unlocked the health-care appetite of millions, and the results were disastrous. While fiscal prudence demanded a hasty retreat, Congress opted instead for deception.

Limited by a noninterference promise attached to Medicare law—enacted in response to concerns that government health care would permit rationing—Congress and federal officials had to be creative. Although Medicare officials could not deny services outright, they could shift financial risk to doctors and hospitals, thereby influencing decision-making at the bedside.

Beginning in 1971, Congress began to restrict reimbursements. They authorized the economic stabilization program to limit price increases; the Relative Value Resource Based System (RVRBS) to cut physician payments; Diagnostic-Related Groups (DRGs) to limit hospital payments; and most recently, the Prospective Payment System (PPS) to offer fixed prepayments to hospitals, nursing homes, and home health agencies for anticipated services regardless of costs incurred. In effect, Congress initiated managed care.

NATIONAL HEALTH-CARE AGENDA ADVANCES

Advocates of universal coverage saw this financial crisis as an opportunity to advance national health care through the fledgling HMO. Legislation encouraging members of the public to enter HMOs, where individual control over health-care decisions was weakened, would likely make the transition to a national health-care system, where control is centralized at the federal level, less noticeable and less traumatic. By 1971, the administration had authorized \$8.4 million for policy studies to examine alternative health insurance plans for designing a "national health insurance."

Senator Edward M. Kennedy, a longtime advocate of national health care, proceeded to hold three months of extensive hearings in 1971 on what was termed the "Health Care Crisis in America." Following these hearings, he held a series of hearing "on the whole question of HMO's."

Introducing the HMO hearings, Kennedy said, "We need legislation which reorganizes the system to guarantee a sufficient volume of high quality medical care, distributed equitably across the country and available at reasonable cost to every American. It is going to take a drastic overhaul of our entire way of doing business in the health-care field in order to solve the financing and organizational aspects of our health crisis. One aspect of that solution is the creation of comprehensive systems of health-care deliver."

In 1972, President Richard M. Nixon heralded his desire for the HMO in a speech to Congress: "the Health Maintenance Organization concept is such a central feature of my National Health Strategy." The administration had already authorized, without specific legislative authority, \$26 million for 110 HMO projects. That same year, the U.S. Senate passed a \$5.2 billion bill permitting the establishment of HMOs "to improve the nation's health-care delivery system by encouraging prepaid comprehensive health-care programs."

But what the House of Representatives refused to concur, it was left to the 93rd Congress to pass the HMO Act in 1973. Just before a voice vote passed the bill in the House,